

SENATE BILL 3767

By Tracy

AN ACT to amend Tennessee Code Annotated, Section 56-7-314, relative to life insurance policies.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-314, is amended by deleting subdivision (1) in its entirety and by substituting instead the following:

(1) Any organization described in §§501(c)(3) or (c)(4) of the Internal Revenue Code of 1986, as amended;

SECTION 2. Tennessee Code Annotated, Section 56-7-314, is amended by deleting the subdivision (3) in its entirety and by substituting instead the following:

(3) Any trust, partnership, limited partnership, limited liability company or other legal entity recognized by the state of Tennessee, however formed, and approved in writing as the beneficiary and irrevocable owner of the life insurance by an organization described in subdivision (1) or (2) of this section. This section does not limit or abridge any insurable interest existing on April 23, 1992, at common law or by statute.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.